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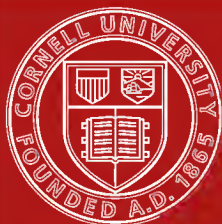
Nevada land grants : hearings before the



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NEVADA LAND GRANTS

HEARINGS

BEFORE THE

COMMITTEE ON THE PUBLIC LANDS

HOUSE OF REPRESENTATIVES

SIXTY-FOURTH CONGRESS

FIRST SESSION

ON

S. 2520

GRANTING TO THE STATE OF NEVADA 7,000,000 ACRES OF
LAND IN SAID STATE FOR THE USE AND BENEFIT
OF THE PUBLIC SCHOOLS OF NEVADA, ETC.

PART 2



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. SIXTY-FOURTH CONGRESS.

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NEVADA LAND GRANTS.

COMMITTEE ON THE PUBLIC LANDS,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

SUPPLEMENTAL STATEMENT BY SENATOR KEY PITTMAN.

Mr. Chairman and gentlemen of the committee, permit me to add a few statements to the statements that I made before a former hearing of this committee. At that time I endeavored to discuss the matter fully, answering such questions put to me touching the bill. I therefore desire to-day that Dr. Hendrick, the president of our university, be heard on this matter.

Every phase of this bill was discussed for days in the United States Senate, and it was finally passed with only one or two dissenting votes. The debate was participated in by the leaders of the Senate on both sides.

Senator Gallinger supported the bill after I had offered as amendments and they had been adopted the provision for competitive bidding and the provision for an appraisement of the land before sale. Some of the other Senators who supported these amendments were Senators Walsh, La Follette, Norris, Jones, Robinson, Johnson of South Dakota, and Williams. No Senator opposed either one of these amendments.

The general and universal sentiment expressed by the Senators was to the effect that it was most important to see that the land brought its full value. Some Senators desired to place a high minimum sale price on the land so that the land could not be sacrificed. I contended before the Senate, as I have contended before your committee, that while some of the land might be worth the high minimum price, that would necessarily be placed upon the land so as to protect any part of it from being sold for less than its value, that only a small portion of the land could ever be disposed of, and that land even in the same neighborhood varied so in value that the only proper way of ascertaining the value of each tract would be through competitive bidding.

The bill as originally prepared by me intended to leave to the people of the State through their legislature the providing of the machinery for the disposal of the land and the enactment of laws to protect it against frauds. I did place in the bill, however, a provision to prevent the monopolization of the land. That is the same provision that is contained in the acts relative to the disposal of coal lands, timber lands, 160-acre group placer claims, and other Government grants, namely, a proviso that a citizen of the United States could only acquire one tract of 640 acres. If an attempt is made by an individual

to acquire more than 640 acres, either directly or indirectly, either through agents or dummies or through a conspiracy with other locators or purchasers, such individual is guilty of a fraud, and upon proof of such fraud the land that he has so acquired will be forfeited to the State, and such individual so guilty of the fraud prosecuted and punished to any extent that may be provided by the laws of the State. The Government in recent years has been very successful in setting aside such frauds as I have just referred to, and the perpetrators of such frauds have been so severely punished and have lost so heavily financially through such transactions that in no case is the value of the property attempted to be fraudulently acquired of sufficient magnitude to justify any attempt at such frauds.

It is within the power of the Legislature of the State of Nevada to make it a felony, punishable by incarceration in the penitentiary, for any individual to directly or indirectly acquire more than 640 acres of such land, either through agents or through dummies, or through a conspiracy with other purchasers of the land. It is within the power of the State legislature to restrict the alienation of the land for any period that it sees fit. It is within the power of the State legislature to surround the transaction with any safeguards that may be required.

These questions of legislation are for the people of the State of Nevada to determine, and, having absolute confidence in the intentions, ability, and integrity of the people of the State, I desired the grant to contain as few restrictions as possible. The fear, however, of some of the Senators that the grant would be sacrificed for the minimum price, as were former grants to the State, urged them to insist most uncompromisingly that a high minimum valuation be put upon the lands in the grant. Knowing that such high minimum price would defeat the object of the bill, I substituted the provision for appraisement and competitive bidding, so as to entirely eliminate the fears of such Senators who were opposing the bill solely by reason of such fear and to conform to the universal policy of Congress with regard to all such grants since 1880.

In the report of the Public Lands Committee of the United States Senate, prepared by me and presented on behalf of the committee, it was stated:

The Committee on Public Lands, to which was referred the bill (S. 2520) granting to the State of Nevada 7,000,000 acres of land in said State for the use and benefit of the public schools of Nevada and the State University of the State of Nevada, having had the same under consideration, beg leave to report it back to the Senate with recommendation that the bill do pass.

This bill does not in any way change the policy of the Federal Government or extend or enlarge its practice as heretofore adopted with regard to other public-land States. The bill does not attempt to obtain a grant of a larger proportion of land than under the practice of the Government has heretofore been granted to each and all of the public-land States. On the contrary, it seeks to grant to the State of Nevada sufficient lands to make up a deficiency in the land grants heretofore made to the State under the policies and practices of the Government. The bill simply seeks to have the State of Nevada, with regard to the public lands within its borders, treated with the same justice that has been meted out to the other public-land States. Nearly every one of the public-land States, with the exception of Nevada and California, at the time of their admission as States was granted 5 per cent of the gross receipts from public lands in such State. Such grant, however, was not made to California upon its admission as a State, but by an act of June 27, 1906 (34 Stat., 518), said 5 per cent was guaranteed to the State of California after the passage of such bill, and in addition thereto an appropriation was carried in such bill to pay to the State of California 5 per cent of all public-land receipts arising from public lands that had been sold in

said State subsequent to its admission and prior to the passage of said bill. Nevada has never received the benefit of such an act.

In addition to these appropriations of a portion of the proceeds derived from the sale of public lands, the States least liberally treated have received actual grants in acres from the public domain in such States of more than 6 per cent of their total land area, while the States most liberally treated have received more than 14 per cent of the total acreage of their States in actual land grants. This means that the least liberally treated of the public-land States, with the exception of Nevada, have had the benefit of more than 11 per cent of all of the lands within the State, while the most liberally treated have received over 19 per cent of the total area of the lands within such State. Nevada, from all sources, has only received about 3 per cent of the land area within the State, yet of the seventy million and odd acres in the State all of it is public Government land with the exception of less than 3,000,000 acres.

The following table, prepared under the direction of the Commissioner of the General Land Office, shows clearly the total acreage in each of the public-land States and the total land grants in such States with the percentage adduced. As before stated, in addition to these land grants, practically all of the public-land States with the exception of Nevada have received grants of 5 per cent of the gross proceeds derived from the sale of the lands by the Government, so there should be added to the percentage of all of the States except Nevada such 5 per cent in arriving at the total benefits derived by each of such States.

States.	Land surface in acres.	Grant in acres.	Percent- age.
Arizona.....	72,838,400	10,484,116.00	0.14+
California.....	99,617,280	8,331,878.18	.08+
Colorado.....	66,341,120	4,432,169.00	.06+
Idaho.....	53,608,560	3,628,827.00	.06
Montana.....	93,296,640	5,869,004.00	.06+
Nebraska.....	49,157,120	3,456,809.00	.07+
New Mexico.....	78,401,920	12,409,014.86	.15+
North Dakota.....	44,917,120	3,163,084.00	.07+
Oklahoma.....	44,424,960	3,094,000.00	.06+
Oregon.....	61,188,480	4,355,324.00	.07+
South Dakota.....	49,195,520	3,433,153.00	.07+
Utah.....	52,597,760	7,408,018.00	.14+
Washington.....	42,775,040	3,042,906.00	.07+
Wyoming.....	62,460,160	4,137,076.00	.06+
Average.....			.08
Nevada.....	70,285,440	2,723,647.00	.03+

If Nevada is granted the 7,000,000 acres provided for in this bill it will still only be treated as the least liberally treated of the public-land States. The reasonableness of the grant is more apparent when it is realized that the remaining unappropriated public lands of the State of Nevada are practically all desert lands without known water supply.

The bill prescribes that the proceeds derived from the sale of such lands by the State after the grant is made shall be appropriated for the use of the public schools in the State and of the State University in the following proportions, to wit, 80 per cent of such proceeds to the public schools and 20 per cent of such proceeds to the State University. While the population of the State of Nevada is small, such population is scattered over such an enormous area that the expense of maintaining public schools is unusually large. Such public-school system is in need of support, and such grant for such purpose is not only reasonable but just. The State University is most fortunately situated for the investigation of mining and agricultural problems and the dissemination of knowledge with regard to such subjects. It is the policy of the Government to encourage such investigations and the dissemination of such knowledge, and the grant to said university is not only reasonable and just but will be of great value to the Government, particularly through the accomplishments of such university along the lines of agricultural and mining research.

The committee considered a number of suggestions relative to the placing of restrictions in the grant with regard to the disposal of such lands, but after due deliberation deemed it wise by reason of the peculiar conditions existing in the State of Nevada to leave such questions to the determination of the State. It was further influenced in this course by the belief that the people of the State of Nevada are fully awake to the necessity of so disposing of such lands as to obtain the very best consideration for the State.

Every member of the Public Lands Committee, of which I am a member, and my colleague, Senator Newlands, were sincere in our statements in the report that "this bill does not in any way change the policy of the Federal Government or extend or enlarge its practice as heretofore adopted with regard to the other public-land States." All such grants since 1880 have required such competitive bidding. We do not seek in this bill to change the policy of the Government with regard to the public domain. If we did seek it, we realize that such effort would be most bitterly fought in the House of Representatives as well as in the United States Senate. We too well realized the great necessity of this grant to the public schools, the university, and the taxpayers of the State to precipitate a fight on a long-established Governmental policy. You are too familiar with the exigencies of legislation not to realize the danger of sending this bill back to the Senate this late in the session with much change in its form either by the striking out of amendments that were insisted upon in the Senate or by the adding of additional ones that may precipitate long and fatal debate.

The bill contains the chief protection demanded by Congress in all this character of legislation during the last 35 years, namely, provisions insuring that the land will not be sold for less than its fair value, to the sacrifice of the Government, the public schools, and the university. The provisions which I have placed in the bill providing for an appraisement by a competent and dignified board of the State before sale may be had, and that such land shall not be sold for less than the appraisement, and the further proviso that the value of such land shall be further determined by competitive bidding, seems to me not only to absolutely grant the protection always required by Congress but to grant it in a more scientific way than has on other occasions been adopted by a proviso for a very high minimum sale price contained in the bill.

In addition to the protection against sacrificing the lands, we have contained in the bill a provision that has not been inserted in all bills for similar purposes with regard to other States passed in the last 35 years.

This bill limits the amount of land that may be purchased by any one individual to 640 acres. The purpose of this provision was to prevent a monopolization of the land. In some States where similar grants have been made there is no restriction as to the quantity of land that may be purchased by any one individual. The reason urged for leaving out this provision in these other bills that I have referred to was that the prime object of such laws was to raise as big a fund as possible for the endowment of public schools and universities. While that is the primary object that we desire to obtain under this grant for our State, and while we are chiefly interested in seeing that the children of our State have equal opportunities in the public schools and in the university with the children of any other State, and that our people be relieved as much as possible of the burden of taxation for such purposes, we also desired incidentally to distribute the landholding as much as possible. We have therefore made it unlawful for any individual to purchase more than 640 acres. It is within the power of the State to enforce this law, and I am satisfied that the State intends and will strictly enforce it.

I feel that in frankness to you I should tell you that there is some opposition in the State to the amendment introduced by me providing for the determination of the value of the land by competitive bidding. So far as I have been advised, this opposition has only been supported by two newspapers in the State, all the other newspapers of the State having unqualifiedly indorsed the bill as it now is. I have received from citizens all over the State, from civic bodies, and county and State officers, unqualified indorsement of the bill in its present form.

I have been informed of only three men in the State that are fighting the bill; but, of course, there are probably others that have been influenced by these three. They urge that 26 individuals now own 815,178 acres of land in the State, and that under the competitive-bidding system they will gobble up most of the land under this grant. How they acquired their present large holdings will be described by Dr. Hendrick, who has made a most careful study of the question and who is most deeply interested, not only in the welfare of the university but the welfare of the public schools and the taxpayers of the State. The 26 individuals referred to, under the law, are entitled to purchase only 26 sections. If they purchase more, it must be in violation of the law and through conspiracies with other individuals and through fraud.

As I have before stated, the legislators of the State of Nevada can make any attempt to commit such conspiracies or fraud so dangerous and expensive that no men who would have the means of perpetrating such frauds would be rash enough to undertake them.

Outside of these 26 landholders in the State, there are 2,689 farmers in the State who own 2,699,580 acres. These farmers will certainly desire to purchase under the act, and they will not stand by and permit themselves to be defrauded of such right by the 26 individuals before referred to or by any other individuals.

I may say in this connection that if the State does not protect the grant in accordance with the restrictions placed upon it, namely, the sale of not more than 640 acres to any individual, the Government might enforce a forfeiture as to the land or some of the land so fraudulently permitted to be conveyed by the State.

The State has another protection, and that is if a large body of land is sought to be purchased in such form or under such conditions as to warrant the suspicion that it is being fraudulently acquired, it may refuse to make a selection of such tract of land from the United States Government and thereby defeat such fraud without even resorting to legal process.

While the chief value of this land will be to the existing farmers, because they can use this arid land in connection with their irrigated ranches, it will be of value to the homeseeker. The land will be sold undoubtedly upon such easy terms of payment that a settler will be encouraged to purchase a piece of land with the hopes of developing either artesian or subsurface water thereon. Only one seeking to build a home would purchase such character of land, and that is the only character of land left in the State to my knowledge except the land that I before referred to and adjoining irrigated ranches.

The bill provides every protection against monopoly and the sacrificing of the land, and its enforcement depends entirely upon the intention, ability, and honesty of the people of the State of Nevada.

There is every incentive for the officers of the State to be honest and industrious in enforcing the law.

First. The people are opposed to land monopoly.

Second. A failure to enforce the law will subject the grant to the danger of forfeiture either in whole or in part.

Third. Every man, woman, and child in the State will be most deeply interested in the enforcement of the law and will be watching it with most jealous care.

Fourth. Every man and woman who desires to acquire land in the State will be watching to see that no one gets more than his share of the land.

Fifth. Every taxpayer in the State will be deeply interested in seeing that the provisions of the act are enforced, that they may be relieved from burdensome taxation which now exists in that State.

Sixth. The people of the State know that former grants have been sacrificed; they have an intense desire to build up their public schools and their university; they thoroughly understand the situation; they are intelligent and honest; and under the conditions no one would dare attempt to perpetrate a fraud upon them.

SUPPLEMENTAL STATEMENT BY MR. A. W. HENDRICK, PRESIDENT OF THE UNIVERSITY OF NEVADA.

Mr. Chairman and gentlemen of the committee, under the terms of this bill Congress is asked to turn over 7,000,000 acres of the unappropriated and unreserved nonmineral lands in the State of Nevada to the State for the use and benefit of the public schools and the State university.

DOES THE STATE NEED THIS GRANT?

You will recall that Nevada entered the Union during the Civil War. Lincoln needed votes to carry his reconstruction program. He looked for a Territory out of which to create a State. Nevada had attracted to its borders some stalwart men, who had gone there in search of gold. They were known as patriotic and believed to be reliable. Though possessed of a population of scarcely 20,000, the State responded to the appeal and voted a constitution. The area contained in this State is 110,690 square miles, a land area of 70,841,600 acres. It is over this vast area that the State must maintain governmental function.

UNUSUAL PROBLEMS.

The character of industry in the State which has always predominated is that of mining. Mining population is unstable and largely nomadic, rarely taxpayers, yet demanding on the part of the State an efficient system of peace officials and courts. The county divisions are large, and consequently very expensive to administer. Elko County, for instance, being twice as large in area as the State of Massachusetts. The geographic configuration of the country adds to the expenses of governmental maintenance. There are some 12 mountain ranges running north and south. The distance between inhabited centers and mining centers will average from

50 to 100 miles. A deputy superintendent of schools to make one visit to all schools in his district would travel upward of 10,000 miles over mountainous and unimproved roads. Likewise court officials and State administrative officers are thus compelled to large expense in the administration of the laws.

WHAT SUPPORTS THIS GOVERNMENT NOW?

There are in private ownership in the State, exclusive of railroad lands, 3,514,768 acres. Two million seven hundred and twenty-three thousand and forty-seven acres of this are contained in the original land grants to the State, 815,178 acres have gone into private ownership, 139,523 acres through homestead laws, 58,616 acres through desert-land laws, 200 acres through coal-land laws, 160 acres through lumber-culture entries, 6,222 acres through timber and stone laws, 40,213 acres through mineral lands, and 31,669 acres through the application of scrip.

In 50 years, therefore, there has passed into settlement under present Federal homestead desert-land laws 195,139 acres of land. When would the State be settled under such a plan? What is the cause of the slow settlement? What is the meaning of so much scrip being used? The answer is there is very little land in Nevada suitable for homesteading under present homestead laws. The farmer can not make a living upon the arid land under these laws. Because of climatic conditions, conditions of the soil, etc., the desert-land act has very little application.

Farming in Nevada, unless it be upon irrigated land, the experience of the State has shown, must be upon large areas to be successful. This is evidenced by the fact that the holdings now in the State are mostly in farms of a thousand acres or more.

There are 2,689 farmers in the State, the total area of improved farms being 752,117 acres out of a total of 3,514,768 acres in private ownership.

It is evident, therefore, that the State can not be settled under the homestead and desert-land laws.

One is forced to ask why the use of so much scrip? You all know that the price of scrip is now ranging from \$12 to \$15 per acre. The land generally in the State being valued at much less than this, what can be the purpose of the scrip that is now being used? It is to secure those lands which offer strategic relation to the small mountain streams or known water holes, the controlling points in the ranges. Whom does this scrip benefit? Not the United States; not the State of Nevada, as neither profit by its application. The exposure of the State to its use will go far to destroy all opportunity for the conservation of the ranges upon the public lands in this arid State.

No one will deny that the principal use of the land of the State of Nevada is for range purposes. Its mountainous character, the scarcity of water, the scarcity of fodder found upon the ranges to-day demand large areas of it for successful stock raising. How are these ranges to be conserved?

It is evident the State is entitled to some relief if it is to be settled. Why not give the State at least a chance by donating one-tenth of the public domain therein for the purpose of bringing more land in support of the State's government and institutions?

THE ENDOWMENT SIDE OF THIS GRANT.

How can you equalize taxation and make provision for establishing in our younger Western States conditions known as endowment conditions for the support of permanent expenditures? The older statesmen in the older States have done this by private endowment. An endowment is a perpetual taxpayer, never trying to avoid or avert taxation, giving generously in proportion to the amount of the fund and giving forever, and to a necessary cause. It is the only equalizer of taxation, whether the fund be supplied by private individuals or by a State or by Federal donation.

With an area of 110,690 square miles to cover with school districts scattered over this vast area, with the necessity for maintenance and salary beyond the demands under ordinary conditions because of isolation, Nevada pays as much for her 350 or more school districts with 8,500 pupils as she would pay with the same districts and probably 20,000 pupils. Our State conditions demand an intelligent people. Our agriculture is unusual. Our ores are rich but recalcitrant. Our people are largely nomadic. How can she meet this situation and duplicate conditions for her people that are enjoyed by other States? She can solve her agricultural problems only by intelligence, her mining problems only by research. The possibilities of her growth and future are in education. This grant, whose primary purpose is to endow her schools, will give her a chance.

HOW ABOUT THE AMOUNT OF THE GRANT?

Seven million acres looks large, but 7,000,000 cents are not as much as \$7,000,000; it is value that counts. Nevada has not been treated as generously as other States with similar conditions and problems, which the following table will show:

States.	Land surface in acres.	Grant in acres.	Percent- age.	Net pro- ceeds from sale public lands by Govern- ment.
Arizona.....	72,838,400.00	10,484,116.00	0.14+	\$11,194.96
California.....	99,617,280.00	8,331,878.18	.08+	1,108,488.50
Colorado.....	66,341,120.00	4,432,169.00	.06+	477,249.80
Idaho.....	53,608,560.00	3,628,827.00	.06+	256,023.20
Montana.....	93,296,640.00	5,869,004.00	.06+	453,734.12
Nebraska.....	49,157,120.00	3,456,809.00	.07+	563,418.08
New Mexico.....	78,401,920.00	12,409,014.86	.15+	130,400.56
North Dakota.....	44,917,120.00	3,163,084.00	.07+	535,234.54
Oklahoma.....	44,424,960.00	3,094,000.00	.06+	62,062.31
Oregon.....	61,188,480.00	4,355,324.00	.07+	731,924.83
South Dakota.....	49,195,520.00	3,433,153.00	.07-	329,778.25
Utah.....	52,597,760.00	7,408,018.00	.14+	96,217.31
Washington.....	42,775,040.00	3,042,906.00	.07+	404,940.27
Wyoming.....	62,460,160.00	4,137,076.00	.06+	228,922.09
Average.....			.08+	
Nevada.....	70,285,440.00	2,723,647.00	.03+	35,631.19

	Acres.
Lands in farms in Nevada, 1900.....	2,565,647
Lands in farms in Nevada, 1910.....	2,714,757

It will be admitted that the States with similar conditions and problems to Nevada are Arizona, New Mexico, and Utah.

Arizona receives 10,484,116 acres, and under the terms of the grant it is admitted that the land is worth a minimum of \$3 an acre, which will yield to the State at the lowest estimate \$31,352,348.

New Mexico likewise receives 12,409,014 acres, which under the law is admitted to be worth from \$3 to \$5 per acre and will yield a minimum of \$48,000,000.

Likewise Utah has 7,408,018 acres, and while no minimum price has been set, it will be admitted that Utah's lands will sell on the average for at least twice as much as the lands in the State of Nevada.

Nevada has had to date 2,723,647 acres granted her. As an indication of the value of this land, she has realized \$2,381,850. If she is to get 7,000,000 acres more, she can hope to realize a total not to exceed \$15,000,000, if we are to judge the future by the past, and no doubt the best land has been secured or selected under the former grant. Is \$15,000,000 too large an endowment for Nevada schools when Arizona is to get a minimum of \$31,000,000 and New Mexico a minimum of \$48,000,000? What State would get less, even if their present grants are not supplemented? So we claim that even with the present grant asked for Nevada will not be equally treated in the benefits given with her sister States.

CONSERVATION OF NEVADA RANGES.

But aside and in addition to the need of endowment for her public schools, range conditions in Nevada need your attention, for I wish to impress upon you that Nevada's future rests entirely upon the development of her ranges. Like most of the western range States, ranges have been deeply and greatly injured by a lack of proper management. No attention has been paid to conservation of the native grasses, no plans have been made for the improvement of the range such as are in vogue in such countries as Australia, New Zealand, or South Africa, or is practiced on those parts of the public domain which are within the forest reserves.

With 55,417,746 acres of unappropriated and unreserved lands in the public domain in our State, and with 5,500,000 additional acres in forest reserves, the State is powerless to protect itself against the destruction of its ranges. The United States Government does not seek to exercise any control over any of this land except such as is within forest reserves. The remaining part is in open range, yielding nothing to the State and nothing to the United States. We have, therefore, 55,417,746 acres lying idle in the State of Nevada serving no public good.

HOW WOULD THIS GRANT HELP THE RANGE SITUATION?

A grant of 7,000,000 acres to the State would place it in a position to participate in the control of its range resources. By judicious selection of available range lands it would be in a position to require of users of the ranges a conformity with the best known principles of range management. The Forest Service, I am told, reports a successful experiment in New Mexico and other States of proper range management increasing the carrying capacity of the range

from 33 to 50 per cent. These States are in a position to help themselves because of the possession of large areas of range lands controlled and leased by the State to stockmen. Nevada needs this protection; her chief agricultural industry is stock raising; let her ranges be destroyed and you have injured the State. This grant will provide the relief now greatly needed.

HOW THIS GRANT WILL HELP THE PRESENT SETTLER.

The present settler in Nevada is confronted by the problem how to increase his holdings. Agriculture in Nevada can only be successful when farming goes hand in hand with stock raising. Our population being small, and our markets consequently remote from the place of production, we must feed what we raise and sell it as the finished product, for the most part as meat or dairy products. Competitive stock raising in Nevada, to be successful, is dependent upon summer range in order to cheapen the cost of production. The present settler has no method of enlarging his holding, since he can not buy his homestead neighbor for the reason that there are no homestead neighbors. Where will his relief come from? This land grant is the only way, otherwise he must be contented to eke out a livelihood on his insufficient area or await the time when the large range owner will magnanimously grant him a profit-sharing privilege by disposing of a part of his holdings to him. What hope, gentlemen—what hope upon which to attract settlers to the State? What hope of keeping the settlers we have?

WILL THIS GRANT GET THE STATE NEW SETTLERS?

Yes; to a degree. The settlement of Nevada can only be accomplished through the aid of a rural credit plan. Plans such as have been suggested in Congress will have little application in a State like Nevada, largely because the organization to be used in these plans does not and could not be made to succeed in Nevada under present conditions. The State is the only source of hope, when financing the farmer is to be considered.

HOW WOULD THIS GRANT HELP?

It would place into the school fund of the State money seeking investment. The laws of the State and the terms of this bill permit investments in lands to the extent of one-third their actual value. When a settler, therefore, or a purchaser of this land has done all he can, has spent his labor and his available money, and has arrived at a place, as you all know he surely will arrive, when he needs a little money to tide him over, to stock his farm, or it may be to purchase machinery, where can he get this money? He has as yet no title to his land; he has no power to borrow; no bankable security. The State, however, is interested in his land as much as he himself; it finds advantage in having the land brought under cultivation because it knows it gets taxes therefrom, and it would still hold title. Its interest is to help its settler to be a successful farmer; it will lend him the money. The grant would in this way give the State the power to help its incoming settler. Without it, who will help? Will there

be any settlers? What has time shown? Are you in favor of helping the people to help themselves? Then give Nevada this grant; she needs to help her settlers.

Since this grant also is in aid of the university, its college of agriculture will be anxious to educate the settler, as the more successful it can make him the more benefit this grant will be to the State and to the university. It will insure more certain success and will get more money for the lands because it will insure the application of the scientific knowledge of agriculture to the important problems of the settler. What can the college of agriculture use now to finance itself in giving this aid? You may say that it should do so now, but in doing so it would use the money derived from taxation of the present settler. Is this fair? Why not put the agricultural college in a position to be of aid to the State which needs its knowledge?

GRANT SHOULD NOT BE REDUCED IN AREA.

If the grant is reduced in area, all the possibilities which have been outlined here for good would be greatly hampered. If the land is not granted to the State at this time, what public service will be served by refusal? Will the United States profit by it? Will any part of the United States profit by it? If you reduce the area you will take away the possibility of range control. You will take away the possibilities of establishing a rural credit. You will take away the possibilities of the endowment of the college sufficiently so that it can be of service to the present settler and the incoming inhabitant. Range control and the endowment of the State institutions are the principal things sought in this bill.

IS THERE SPECIAL TREATMENT GIVEN NEVADA IN THIS GRANT?

As a rule, grants of the public domain were made to all Western States when they became a part of the Union. The grant took the form of land in place, in most States, for example, the sixteenth and thirty-sixth sections. In many States this would be advantageous, as it made the State's land fall in scattered areas and the State land grew in value as the settlements came in proximity to the areas owned by the States. But in some States it was manifest that if the United States held the States to this plan the grant would have been of little value. Nevada is one of these States. It is a very mountainous State. Congress saw the injustice in this and granted to Nevada lieu selection of 2,060,000 acres for the sixteenth and thirty-sixth sections. Likewise Congress recognized this condition in other States, as, for instance, in Utah, which received subsequent to admission to the Union 2,000,000 acres to be selected anywhere in the public domain of that State. Likewise in 1910, the Congress of the United States granted to the States of Arizona and New Mexico, in addition to sections 2, 16, 32, and 36, being lands in place, selections in the case of Arizona of 2,300,000 acres, and in the case of New Mexico of 2,794,792 acres. It would seem therefore to have been the policy of Congress to grant selected lands in Western States where conditions and the value of the grant for the purposes desired were kept in view. There is therefore no new principle of treatment in granting lands and permitting the States to make a selection. This has been done

in Utah, in New Mexico, Arizona, Alabama, Arkansas, California, Idaho, Montana, Washington, and in Wisconsin. The principle is therefore well established and a fixed policy of Congress. The claim of unusual and special treatment therefore can not be maintained on the ground that the grant permits selection rather than granting lands in place.

GRANTS SHOULD BE ON THE BASIS OF NEED.

It is evident that it would not be a wise national policy to turn over to the States public lands for the purpose of endowment of States for meeting their permanent expenditures on any basis except need. The rich man does not need charity shown him; neither does the rich State. A State whose taxable resources are such that it is amply able to take care of its every need should not stand in the way and say to one whose struggle for existence is evident: "Oh, the United States must not turn over land to this weak State in larger area than to the strong State. It would not be fair treatment."

With a scant portion of her area sustaining her government, compare Nevada's condition to that of other States:

	Total area, in acres. ¹	Total area, in farms. ¹	Per cent of total.
Arizona.....	72,838,400	1,246,613	1.6+
California.....	99,677,280	27,931,444	27 +
Colorado.....	66,341,120	13,532,113	20 +
Idaho.....	53,608,560	5,283,604	10 +
Montana.....	93,296,640	13,545,603	14 +
Nebraska.....	49,157,120	38,622,021	80 -
New Mexico.....	78,401,920	11,270,021	14
North Dakota.....	44,917,120	28,423,650	63 +
Oklahoma.....	44,424,960	28,859,353	63 +
Oregon.....	61,188,480	11,685,110	18 +
South Dakota.....	49,195,520	26,016,892	53 +
Utah.....	52,597,760	3,397,699	6 +
Washington.....	42,775,040	11,712,235	25 -
Wyoming.....	62,460,160	8,543,010	12 +
Nevada.....	70,285,440	2,714,757	3.7+

¹ Figures from census reports, 1910.

Let us turn for a moment to the consideration of the terms of this particular bill.

I want to discuss with you:

- A. The method of disposal.
- B. The quantity limitation.
- C. Appraisal and minimum price.

METHOD OF DISPOSAL.

An examination of the Statutes at Large of the United States relating to grants of land in the public-land States discloses the fact that since 1875 there has not been a grant to any of the States which did not contain the clause that the land should be sold at public sale.

It is true that in the grants which were made in the Federal statutes under sections 2485 and 2486 of the Revised Statutes, which were applicable to all States and to future States when they came into the Union, except when special legislation was made, did not state the method of disposal of the lands, but left its method of disposal en-

tirely to be controlled by laws, rules, and regulations to be enacted by the several States. Evidently this policy did not appeal to Congress, for all acts since 1875, as I have said, contained the public-sale clause.

When Colorado was admitted to the Union in 1875 (18 Stat. L., 475), there was a clause in the enabling act providing for the disposal of the land at public sale at a minimum price of \$2.50 an acre.

When Montana, South Dakota, North Dakota, and Washington were admitted to the Union by the act of March 2, 1889, it was provided in the statute that the land should be disposed of by public sale.

When Idaho was admitted to the Union in July 3, 1890, this act likewise provided for the disposal of the lands by public sale.

Likewise the act of July 10, 1890, admitting the State of Wyoming provided for public sale, and as late as June, 1910, by laws (36 Stat. L., 561, and 36 Stat. L., 572), there were admitted the States of New Mexico and Arizona, and under these laws provision was made for the sale of the lands by public sale to the highest bidder.

It seems, therefore, a fixed policy of Congress to provide that these lands shall be sold by public auction. There is some opposition in the State of Nevada to this particular clause in this bill; it being felt that it will provide for the land going into the hands of the large and wealthy stockowner to the exclusion of the poor man and the settler. If there were no other terms in the bill, however, which would safeguard this, would it be the experience of the United States that the public auction clause had had this result? Is there any complaint in these States which possess this public auction clause that such is the result, and is it not true that in States that did not have this public auction clause that land has been sold in large quantities to the wealthy landowners? This was certainly true in the State of Nevada. Moreover, under the terms of this bill how can the large cattle owner get more than 640 acres without fraud? Do you believe Nevada can not be trusted to punish such fraud?

WOULD ELIMINATION OF PUBLIC SALE CLAUSE LESSEN THE AMOUNT OF MONEY RECEIVED FROM THIS GRANT?

In considering striking this clause providing for public auction out of the bill, attention should be given to the effect it would have upon the amount of money which this land would yield. One of the primary purposes of this bill is to get an endowment fund. Competitive bidding will undoubtedly get the largest. This consideration should be weighed against the consideration as to whether the rich man would be able to outbid the poor man to his detriment. As I have stated, the policy of the United States has been the public sale policy. Is there any reason for changing it? Has not the United States been able to prevent such frauds in coal-land and oil-land cases? Why can it not enforce in this case the limitation of 640 acres to each citizen?

I desire to emphasize, however, our wish that this bill be framed to grant every protection to the State against monopolization of its lands. Likewise we desire the interests of the small farmer protected. If the bill in its present form does not do so, we hope you will amend it so that it will.

THE QUANTITY OR LIMITATION OF HOLDING.

There has never been in a single law passed by Congress granting public lands to the various States a clause restricting the amount of land which shall be sold to any one individual. This is the first instance, so far as my observation goes, where this restriction has been made in grants of land to the States. It is true that most of the States by regulation themselves have limited the amount of land to be owned by any one individual, and this bill permits the State if it so desires to make such limitation. The wisdom of the limitation I leave to your judgment with the suggestion that our argument receive consideration that, because of the character of our soil, the small farm is impracticable.

APPRAISAL AND MINIMUM PRICE.

Since the character of the land is such that a 40-acre tract in a section might be worth just twice as much as another 40, it is extremely difficult to place a minimum price upon a considerable area in Nevada which would be equitable. It would seem, therefore, that the only method by which you could hope to obtain the actual value of the land is through an appraisal board, which would investigate the value of each particular block of land. With the limitation that it should not be sold for less than \$1.25 per acre, which is undoubtedly a higher price than some of the land is worth, it would seem that you had safeguarded the grant enough in this particular.

My only suggestion is that the commission who are to value this land should be named in this bill, and I suggest that the commission should be constituted as the State board of investments is now constituted, namely, the governor of the State, the attorney general of the State, the treasurer of the State, the superintendent of public instruction, and the president of the State University. These men are all subject to public opinion and are easily reached by it, and a commission composed of these men would undoubtedly keep in touch with the people in all transactions. The last words in the bill should be amended to read "State board of investments" instead of "State board of revenue."

I should like further to call attention to the fact that the terms of this bill should provide for leasing the land. I am aware that it is stated that the bill does now make such provision. If your committee is satisfied with this part, I am content.

I feel sure that such rules, laws, and regulations as are necessary to safeguard this bill will be passed by the legislature of our State, and I want to affirm my belief in their honesty and integrity and my belief in the desire of the people of our State that justice should be meted out to our people, and that equal opportunities should be secured to all.

It has been suggested that there should be a restriction placed upon the alienation of this land when once secured. No other State has such a restriction. Why cast reflection upon the State of Nevada that its people are too dishonest to be trusted?

Gentlemen, I submit that the grant of 7,000,000 acres to the State of Nevada is equitable. It will supply the need of the State; it will make toward the welfare of each person and inhabitant; it will

provide a method of settlement; it will provide means of helping the settler; it will strengthen the State University; it will strengthen the public schools; it will make the conditions in the State more nearly parallel to the conditions in other States.

I trust you will report it favorably.

The CHAIRMAN. There will be inserted at this point the report of the Secretary of the Interior. It is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, March 25, 1916.

HON. SCOTT FERRIS,

Chairman Committee on the Public Lands, House of Representatives.

MY DEAR MR. FERRIS: I have received your request of February 24 last for a report on Senate bill 2520 which passed the Senate on February 8, 1916. By sections 1 and 2 thereof it is proposed to grant to the State of Nevada 7,000,000 acres of unappropriated, unreserved, nonmineral, public lands in the State for the use and benefit of the public schools and the university of the State, to be selected by the State and certified thereto by the Commissioner of the General Land Office and approved by the Secretary of the Interior. Upon certification title is to vest in the State as of the date of selection. Sections 3, 4, and 5 of the bill provide for the disposition of the lands by the State and the investment and distribution of the proceeds from their sale.

In reply I have to state that the right of selection by the terms of this bill, as it is framed, is not restricted in terms to surveyed lands of the class mentioned. It is provided further that title shall vest in the State as of the date of selection upon certification of the selections.

In this connection it is suggested that the bill be so amended (a) as to confine the right of selection to surveyed, unappropriated, unreserved, nonmineral public lands of the United States in said State, and (b) that title shall vest on certification of the selection by the Commissioner of the General Land Office when approved by the Secretary of the Interior in conformity with the provisions of other State grants.

As to the first suggestion, suffice it to say that if it is intended to permit the State to select and have certified to it unsurveyed lands, such procedure applied to a large grant of this character is wholly impracticable, and would be productive of the greatest confusion of land lines and titles. The bill should be so amended as to permit the selection only of surveyed lands, and the provisions of the act of August 18, 1894 (28 Stat., 394), or similar provisions, should be extended to the State of Nevada, so that the State may make application for the survey of the lands it desires and thus acquire a preference right of selection.

As to the second suggestion, if the bill be amended as hereinafter indicated, the passing of title to granted lands would be in accordance with the established practice and rulings of the Land Department and the rulings of the courts, namely, the filing by the State of its application to select, if allowed, would operate to segregate the land as against all other applications, entries, or selections, but the title would not pass as against the Government, until approval of the selection by the Secretary of the Interior. (See 43 L. D., 293; 225 U. S., 149.) I suggest, therefore, that the bill be amended in this respect by omitting from lines 1, 2, and 3, page 2, the following sentence: "Upon such certification the title to such land shall be deemed to have vested in the State of Nevada."

Section 3 of the bill restricts the sale by the State to not more than 500,000 acres per year of the land certified to it under the proposed grant. Should the quantity selected and certified exceed the area sold by the State, as it doubtless will, no provision is made whereby the State may procure any income from the use of the lands certified but not sold. It is possible, also, that the State might desire to withhold its lands from sale with a view to procuring a larger income therefrom by means of leasing, which policy a number of the States are now following with satisfactory results. It is therefore suggested, as a matter of interest to the State, that the State be given the option of leasing the lands for limited periods if it shall so desire on such terms and conditions as may be deemed advisable.

As to the provisions of sections 3, 4, and 5 relative to procedure for the disposal of the lands selected and for disposition of the proceeds arising from such lands, it may be stated that the bill goes more into detail than has been customary in this class of legislation. The provisions are evidently designed to procure the full value of the grant, to prevent monopoly, and to secure desirable investment of the funds. As a general proposition I am in accord with these purposes.

It should be remembered, however, that, as a practical matter and doubtless as a matter of law, the enforcement of these provisions depends almost wholly on the good faith of the State. (*Emigrant County v. County of Adams*, 100 U. S., 61; *Mills County v. Railroad Companies*, 107 U. S., 557; *Hagar v. Reclamation District*, 111 U. S., 701; *United States v. Louisiana*, 127 U. S., 182.) Particular attention is called to the fact that it does not appear very clearly from sections 4 and 5 whether interest on deferred payments of the purchase price or rent for the use of said lands shall be paid into the irreducible investment fund, or whether such income may be devoted directly to the support of public schools and the university.

As a matter of information, I have to advise you that the State of Nevada has heretofore been the beneficiary of donations by Congress of the public lands of the United States for educational and other purposes, as follows:

	Acres.
Internal improvements.....	500,000
University.....	46,080
Penitentiary.....	12,800
Public buildings.....	12,800
Mining and mechanical arts.....	90,000
Common schools (secs. 16 and 36).....	61,967
In lieu of sections 16 and 36, under act of June 16, 1880 (21 Stat., 287)....	2,000,000
Total.....	2,723,647

or a little less than 4 per cent of the land area of the State, exclusive of the right to claim 2,000,000 acres of desert land under the Carey Act of August 18, 1894 (28 Stat., 373-422), and the amendment thereto of March 4, 1911 (36 Stat., 1267-1417).

It should be here stated that under the enabling act of March 21, 1864 (13 Stat., 30), pursuant to which the State was admitted into the Union, it was granted, in addition to certain quantity grants, the sixteenth and thirty-sixth sections in each township, if such sections were of the character contemplated by the grant. Pursuant to this grant, the State acquired title to, and disposed of, 61,967 acres in place in such sections. By the provisions of the act of June 16, 1880 (21 Stat., 287), the State was permitted to transmute its place grant into a quantity grant and to waive its rights to about 4,000,000 acres of granted sections in place and to select in lieu thereof 2,000,000 acres in quantity, in satisfaction of the original grant for common-school purposes.

This right of selection enabled the State to acquire title to lands in satisfaction of its grant without awaiting the extension of public-land surveys over the State generally and taking title to the sixteenth and thirty-sixth sections in place as the State would have otherwise been required to do. This, no doubt, rendered the grant to the State, while less in area, more valuable than it would have been otherwise. I understand the State failed to take the greatest possible advantage of the opportunity thus afforded, though it is but fair to say that the lands thus granted were largely disposed of a number of years ago when land values in this entire section were much less than they are to-day.

It is worthy of notice that the State was admitted into the Union 52 years ago, during which period the public lands therein have been subject to disposition under the applicable public-land laws of the United States, and that there yet remain in the State approximately 29,834,000 acres of unappropriated surveyed public lands, 25,583,000 acres of unsurveyed public lands, making a total of 55,417,000 acres, exclusive of all existing reservations. According to the census of 1910 the State then had a population of less than 100,000. While we have not attempted to make an exact computation, it is safe to state that the total patented and certified lands in the State is between 7,000,000 and 8,000,000 acres; of this total nearly 4,000,000 were patented to the Central Pacific Railway Co., and, as above stated, 2,723,000 certified to the State, leaving doubtless not over a million acres patented under the general public-land laws during a period of 50 years, indicating that much of the area of the State is of such a character as to be more or less undesirable for settlement and development purposes. The following tabulation of entries under the homestead and desert-land laws during the past 10 years indicates the relative activity during these years under said laws:

Homesteads.

Year.	Commuted homestead entries, number.	Area.	Original.	Area.	Final.	Area.
1906.....	7	1, 106.92	157	17, 798.82	27	2, 360.00
1907.....	2	311.15	288	31, 503.88	70	6, 931.16
1908.....	3	475.46	329	33, 898.07	56	5, 782.16
1909.....	3	333.30	207	27, 200.22	23	3, 550.29
1910.....	4	520.00	310	48, 210.34	27	3, 925.93
1911.....	20	3, 061.02	408	243, 453.65	22	3, 297.22
1912.....	16	2, 399.23	376	203, 407.50	23	3, 346.00
1913.....	13	2, 073.01	336	57, 197.07	76	10, 630.05
1914.....	3	482.05	392	71, 639.64	102	16, 507.77
1915.....	16	2, 378.94	557	96, 915.25	193	23, 619.90

Desert-land entries.

Year.	Original number.	Area.	Final.	Area.
1906.....	8	1, 440.88	8	1, 629.00
1907.....	32	6, 947.30	9	1, 718.22
1908.....	89	15, 340.52	8	923.97
1909.....	60	12, 591.26	6	861.33
1910.....	273	59, 520.18	11	1, 251.96
1911.....	270	57, 473.02	13	1, 798.46
1912.....	258	50, 699.81	45	8, 281.94
1913.....	229	46, 896.91	28	4, 837.77
1914.....	197	35, 183.24	54	11, 289.94
1915.....	157	20, 250.27	68	11, 638.27

It will be noted that while there were 3,360 original homestead entries during said 10-year period, during the same period there were only 619 final proofs allowed, indicating a heavy percentage of abandonments and relinquishments; also that there was a marked increase in the homestead business during the fiscal year 1915, though this record is not large compared with the more active public-land States during the same period, as indicated by the following:

State.	Number of original home- steads.	Area.	Number of final proofs on home- steads.	Area.
Arizona.....	1, 409	240, 000	709	105, 000
Colorado.....	8, 899	2, 489, 000	4, 383	914, 000
Idaho.....	5, 653	1, 000, 000	2, 777	397, 000
Montana.....	16, 146	3, 500, 000	9, 738	2, 058, 000
New Mexico.....	6, 113	1, 385, 000	3, 393	610, 000
Oregon.....	3, 878	714, 000	1, 654	258, 000
Wyoming.....	3, 030	679, 000	1, 652	331, 000

The Federal land grants made by Congress to the more recently admitted States of Arizona, New Mexico, and Utah, to aid in the establishment and maintenance of State educational and other institutions amount to 10,489,000, 12,406,000, and 7,414,000 acres, respectively, or approximately 14 per cent, 15½ per cent, and 14 per cent of the gross land areas of these States. Said grants included quantity grants of over 2,300,000 acres to Arizona, over 3,600,000 to New Mexico, and over 1,500,000 to Utah. These States also have the right to claim 1,000,000 acres or more of desert land under the Carey Act. In point of climatic conditions, topography, character of lands, resources, and population, these three States are doubtless more nearly similar to the State of Nevada than any others, though Arizona, according to the 1910 census, has more than double, and Utah and New Mexico more than three times the population of Nevada. Manifestly either the grants to these newer States are excessive or Nevada has hardly received sufficiently liberal assistance from the Federal Government for educational purposes, assuming her needs to be the same or substantially so.

As indicated repeatedly by reports of this department on bills proposing to make additional land grants to States, I am opposed to any general policy of turning over the public lands to the States for disposition, believing that the liberal laws of Congress, with the uniform and effective administration thereof by the Federal Government, are far more conducive to the permanent settlement and development of the country and the upbuilding of the States than would result from granting such lands to the States to be used as a means of raising money for various purposes. While Congress has made liberal grants for education and support of State institutions, it has consistently held to settlement and development as the primary object in the disposition of the great body of the public lands. So with this bill, I think the only question for consideration is whether or not, under all the circumstances, Nevada has received just and fair treatment in the way of public-land grants for educational and other State institutions. The figures hereinabove given, taken in conjunction with the well-known extreme aridity of large areas of the State and the consequent lower prices that may be realized from the lands granted, rather force the conclusion that the State of Nevada has not received the same liberal treatment as other States similarly situated.

I do not consider, therefore, that a reasonable additional grant to the State within the limitations of the general principles above stated, would be objectionable or a violation of the uniform policy of Congress for many years, but rather a just application of that policy. In this connection I am not unmindful of the fact that no quantity grant as large as that here proposed has ever been made before; on the other hand, under the conditions obtaining in the State of Nevada, doubtless a place grant would be of comparatively small value. I am inclined to the belief, therefore, that while a quantity grant is doubtless preferable, in view thereof, your committee may very properly recommend that the area granted be somewhat reduced from that provided in the bill.

Cordially, yours,●

ANDRIEUS A. JONES, *Acting Secretary.*

